An Act to Improve Family Economic Security Under the Temporary Assistance for Needy Families Program

Submitted by the Department of Health and Human Services pursuant to Joint Rule 204. Reference to the Committee on Health and Human Services suggested and ordered printed.

Presented by Representative MEYER of Eliot.
Be it enacted by the People of the State of Maine as follows:

Sec. 1. 22 MRSA §3762, sub-§3, ¶B, as corrected by RR 2021, c. 2, Pt. B, §176, is amended by repealing subparagraph (7-D), division (a) and enacting the following in its place:

(a) One hundred percent of:

   (i) All earned income received for the first 3 months of employment that began while participating in TANF; or

   (ii) The first 3 months of any increase in earned income received while participating in TANF.

Any month in which the disregard under this division does not increase the recipient's benefit above that which the benefit would be if the disregard in division (c) is applied does not count as a month in which earned income is disregarded under this division;

Sec. 2. 22 MRSA §3762, sub-§3, ¶B, as corrected by RR 2021, c. 2, Pt. B, §176, is amended by repealing subparagraph (7-D), division (b) and enacting the following in its place:

(b) Seventy-five percent of:

   (i) All earned income received for the 4th to 6th months of employment that began while participating in TANF; or

   (ii) The 4th to 6th months of any increase in earned income received while participating in TANF.

Any month in which the disregard under this division does not increase the recipient's benefit above that which the benefit would be if the disregard in division (c) is applied does not count as a month in which earned income is disregarded under this division;

SUMMARY

This bill amends the provisions of the Temporary Assistance for Needy Families, or "TANF," program that relate to income disregards for the purposes of calculating a recipient's benefits. Current law provides that 100% of all earned income for the first 3 months of employment and 75% of all earned income for the 4th to 6th months of employment must be disregarded from recipients' monthly earnings. This bill clarifies that this employment must have begun while participating in the TANF program. It also provides that 100% of the first 3 months of increased earned income received while participating in TANF and 75% of the 4th to 6th months of increased earned income received while participating in TANF are subject to these disregard provisions. The bill also makes a clarifying change by replacing the word "it" with "benefit."